



## National Telecommunications and Information Administration

### Mission Statement

**To promote the efficient and effective use of telecommunications and information resources in a manner that creates job opportunities, enhances U.S. competitiveness, and raises the standard of living.**

The telecommunications and information sector has become the driver for this country's economic growth. The White House Council of Economic Advisors recently determined that revenues of communications services and equipment companies rose over 60 percent in the last five years. Information technology sectors are growing at double the rate of the overall economy. Over a third of real domestic product growth in the past three years has come from information technology industries. In 1996, 7.4 million people worked in high-tech jobs, earning an average salary of \$46,000, more than fifty percent more than the average wage of \$28,000. Investments in new technologies — including computers, satellites, wireless devices, and information processing systems — account for over 45 percent of total real business equipment investment. These developments are affecting every American to some extent. And it is expected to continue. New technologies will shape our economy even more significantly in the 21st century, particularly with the growth of the Internet and electronic commerce. Today some 160 million users worldwide are going online to shop, invest, trade, and e-mail, according to Nua Internet Surveys. That figure is expected to increase to 320 million by the end of next year. As more people and businesses connect online, the "virtual marketplace" will become commonplace. Electronic commerce among businesses is expected to grow more than fifteen-fold in the next few years, from \$64 billion in 1999 to \$980 billion in 2003, according to International Data Corporation analysts.

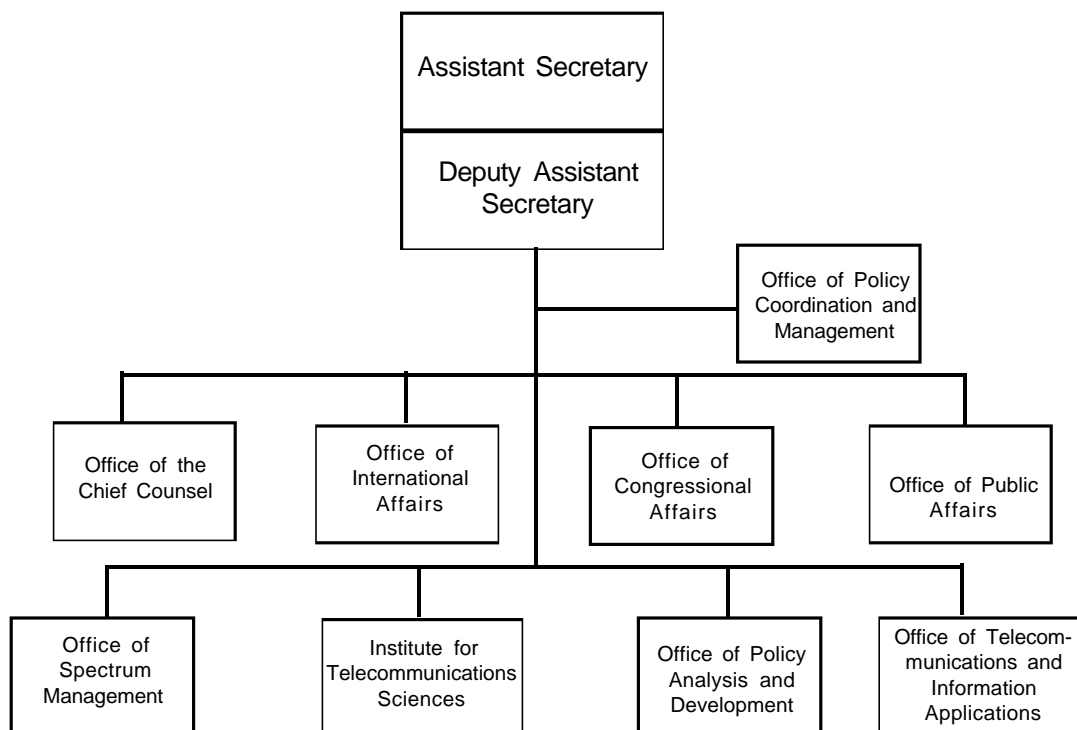
In this environment, NTIA's continuing work through the series of *Falling Through the Net* reports has led to the identification of the Digital Divide as a major national and international issue. With the Secretary of Commerce, NTIA's policy efforts will continue to address this issue so that all can benefit. NTIA's spectrum management and cutting-edge research activities also promote the goal of universal service by identifying innovative uses and resources for affordable, alternative communications services. NTIA's grant programs serve to demonstrate the effectiveness of new communications and information technology applications in meeting the real needs of community development programs, schools, libraries, and other nonprofit organizations. NTIA's grants also help maintain the reach of public broadcasting infrastructure and support its transition to the digital age. Each of these program areas, though integrated domestic and international policy and technical work, keeps promotion of the benefits of competition and universal service as primary strategic planning goals. The combined technical and policy expertise of the agency help enable the U.S. to continue its lead in this integral part of global competitiveness.

### Priorities

- **Promote Open Markets and Encourage Competition.** Through its domestic policy activities, NTIA is emphasizing the implementation of the Telecommunications Act of 1996 as Congress intended, opening the door to increased competition at both the long-distance and local level for the long-term benefit of both consumers and industry. Broadband services, e-commerce (electronic commerce), and Internet taxes are examples of the issues NTIA is addressing. Internationally NTIA is promoting pro-competitive U.S. policies, including regulatory reform and technical policies related to advanced technologies and the Internet. These activities will improve the international competitiveness of the U.S. telecommunications and information industry and the ability of U.S. businesses and consumers to have access to high-quality, reasonably-priced international services.

- *Ensure Spectrum Provides the Greatest Benefit to All People.* The priorities under this goal include identifying and supporting new wireless technologies with innovative proposals for the benefit of both Federal and private sector users; providing Federal agencies (53) with the spectrum needed to support their missions for national defense, law enforcement and security, air traffic control, national resource management and other public safety services; developing plans and policies to use the spectrum effectively and efficiently; satisfying the United States future spectrum needs globally through participation with 190 other countries in the International Telecommunication Union in establishing treaty binding agreements through the world radiocommunication conference process; and improving the understanding of radio-wave transmission to enhance spectrum utilization and the performance of radio communications systems through telecommunications research and engineering.
- *Advance the Public Interest in Telecommunications, Mass Media, and Information.* Digital Divide, universal service reform, minority ownership development, E-Rate (education rate — program authorized by the Telecommunications Act of 1996 to connect schools, libraries, hospitals, and other non-profit entities to the information infrastructure), Internet privacy, and consumer billings are priority issues where NTIA's expertise will make a difference. NTIA has also been designated by the Secretary to serve as the lead agency for the Information and Communications Sector under the Critical Infrastructure Program, as defined by Presidential Decision Directive 63 (signed in May 1998).
- *Promote the Availability and Sources of Advanced Telecommunications and Information Services.* Access to broadband technology is a critical next step in the evolution of advanced telecommunications and information services. NTIA will influence developments by participating in a joint Federal and State conference, creating a wireless broadband development task force, funding broadband demonstration projects at the community level, and assisting public broadcasters in using digital technologies to improve the public broadcasting infrastructure and expanding services to the public. NTIA helped create the U.S. positions on e-commerce and the Internet, and now advocates these positions abroad. In addition, largely through NTIA's efforts, the Department of Commerce has made substantial progress in transferring the responsibility for the management of the Internet Domain Name System to a new corporation and making the domain name registration system competitive. The transfer should be completed by October 1, 2000.

## Organizational Structure



## Targets and Performance Summary

### Highlights of NTIA's FY 2001 Annual Performance Plan

Performance Goal 1: Promote Open Markets and Encourage Competition			
Measure	FY 99 Actual	FY 00 Target	FY 01 Target
Number of filings, testimony and speeches	N/A	30 per year	30 per year

Performance Goal 2: Radio Spectrum Assignments			
Measure	FY 99 Actual	FY 00 Target	FY 01 Target
Number of authorized spectrum assignments	440	445	450

Performance Goal 3: Advance the Public Interest in Telecommunications, Mass Media, and Information			
Measure	FY 99 Actual	FY 00 Target	FY 01 Target
Maintain or increase current telephone subscription rates	96%	96%	96%
Increase Internet accessibility and use	26%	40%	50%

Performance Goal 4: Promote the Availability and Sources of Advanced Telecommunications and Information Services			
Measure	FY 99 Actual	FY 00 Target	FY 01 Target
Number of models / grants available for non-profit or public sector organizations	43	50	50

## Resource Requirements Summary

**Total Bureau Dollars: \$20.5 million**

Goal	FY 99 Actual	FY 00 Enacted	FY 01 Request
Promote Open Markets	N/A	N/A	N/A
Radio Spectrum Assignments	\$3.5 M	\$3.5 M	\$3.5 M
Public Interest Promotion	\$1.9 M	\$1.7 M	\$2.0 M
Advanced Telecommunications	\$18 M	\$15.5 M	\$15 M

**Total FTEs: 182****Skill Summary: Scientists, Engineers, Lawyers, Economists, Policy Analysts, Support Staff**

Goal	FY 99 Actual	FY 00 Enacted	FY 01 Request
Promote Open Markets	N/A	N/A	128
Radio Spectrum Assignments	23	23	23
Public Interest Promotion	12	12	12
Advanced Telecommunications	20	19	19

**Total Bureau IT Dollars: Not available****IT Requirements: NTIA does not break out IT requirements separately from program budgets**

Goal	FY 99 Actual	FY 00 Enacted	FY 01 Request
Promote Open Markets	N/A	N/A	N/A
Radio Spectrum Assignments	N/A	N/A	N/A
Public Interest Promotion	N/A	N/A	N/A
Advanced Telecommunications	N/A	N/A	N/A

## Performance Goal 1: Promote Open Markets and Encourage Competition

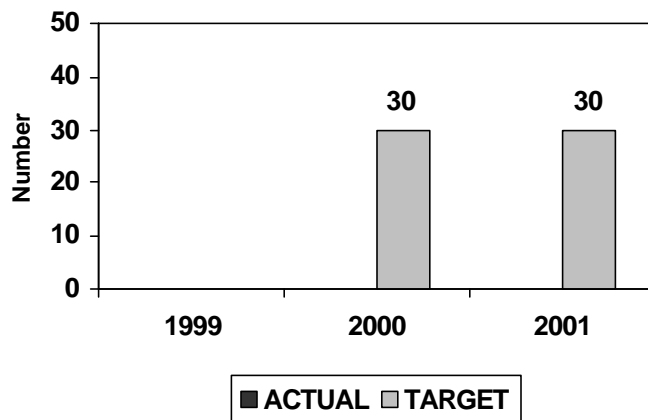
### Rationale for Performance Goal

NTIA's domestic policy activities focus on improving the way communications services and products are provided to the public. The relative importance of current domestic telecommunications and information policy issues are continually evaluated to determine the highest priority items for immediate Executive Branch attention. Legislative initiatives and Federal Communications Commission (FCC) dockets also influence NTIA domestic policy activities. In the international area, NTIA develops and advocates regulatory and technical policies that will improve the international competitiveness of the U.S. telecommunications and information industry and the ability of U.S. businesses and consumers to have access to high-quality, reasonably-priced international services. NTIA will continue to develop international policies that promote effective competition, including a diversity of facilities and services, and open markets for U.S. service providers and equipment suppliers.

The resources required for these activities are dependent on when issues arise in Congress and the FCC, among other forums, so that NTIA is unable to plan dollar and FTE amounts far in advance. NTIA is reactive to these outside events and responds accordingly. Policymaking in the technology industry is demanding and growing at a rapid pace which is difficult for even the best analysts to predict.

#### Measure 1.a:

#### Number of filings, testimony and speeches



#### Data Validation and Verification:

**Data collection:** Files collected by NTIA  
**Frequency:** Compiled annually  
**Data storage:** Files maintained by NTIA  
**Verification:** Source authenticity verified by NTIA  
**Data limitations:** None

- **Plan to achieve next target:** Prioritize FCC proceedings, present Administration views on legislation, participate actively in conferences, etc.
- **FY 2000, FY 2001 targets:** 30 per year
- **Data Issues:** All filings, testimony, speeches, etc. are posted on the NTIA website for public inspection.
- **Discontinued Measures:** Compliance with WTO telecommunications agreement.

### Program Evaluation Efforts

NTIA conducts semi-annual strategic planning retreats with senior executives to review progress and develop new goals.

## Performance Goal 1: Promote Open Markets and Encourage Competition

### Strategies and Activities

Strategies	Activities
Assess FCC and legislative proceedings for impact on issues and optimal use of agency resources in affecting policies.	<ul style="list-style-type: none"> <li>-- Advocate procompetitive policies and market entry by new service providers.</li> <li>-- Assess applications by ILECs to provide long distance services.</li> <li>-- Coordinate with state regulatory agencies.</li> <li>-- Engage in bilateral and multilateral negotiations.</li> </ul>

### Resource Requirements

Resources for this program activity are not broken out separately in budget materials.

**Total Dollars: Not available**

FY 99 Actual	FY 00 Enacted	FY 01 Request
N/A	N/A	N/A

**Total FTEs: Not Available**

**Skill Summary: Scientists, Engineers, Lawyers, Economists, Policy Analysts, Support Staff**

FY 99 Actual	FY 00 Enacted	FY 01 Request
N/A	N/A	N/A

**Total IT Dollars: Not available**

FY 99 Actual	FY 00 Enacted	FY 01 Request
N/A	N/A	N/A

### Cross-Cutting Activities

#### **Intra-DOC**

NTIA supports the Secretary of Commerce in a broad range of policy issues. NTIA works with the International Trade Administration on international trade promotion activities.

#### **Other Government Agencies**

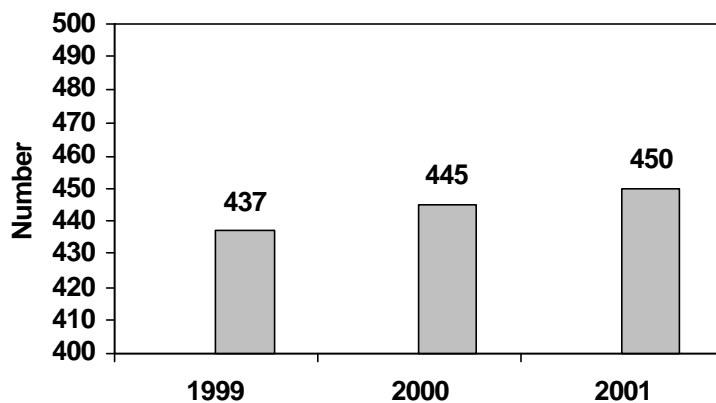
NTIA coordinates with the White House, including the Office of the Vice President, and participates in Working Groups with other Federal agencies on issues that cross jurisdictional boundaries.

## Performance Goal 2: Radio Spectrum Assignments

### **Rationale for Performance Goal**

Radio spectrum is a scarce resource necessary to support government communication, public safety, and national defense. At the same time, private sector uses are burgeoning. Efficient management of these resources, re-research into new and better spectrum uses, and participation in international organizations all help to assign radio spectrum to fulfill needed services. NTIA's spectrum management activities are currently funded by other Federal agencies at the 80 percent level.

### **Measure 2.a: Number of authorized spectrum assignments**



#### **Data Validation and Verification:**

**Data collection** Government Master File (GMF) maintained by NTIA; data is collected from Federal agency requests for spectrum assignment actions

**Frequency** Standard reports issued monthly

**Data storage** NTIA mission critical system; data available on CD-ROM

**Verification** GMF has built-in checks; also staff review outside of these checks.

**Data limitations** None

## Program Evaluation Efforts

A subcommittee of the Interdepartmental Radio Advisory Committee (IRAC) evaluates NTIA's spectrum management activities on behalf of Federal agencies. NTIA also measures the time to process frequency assignment requests and system reviews.

## Strategies and Activities

Strategies	Activities
Develop and implement spectrum plans and policies for both government and private sector users.	<ul style="list-style-type: none"> <li>-- Satisfy the spectrum needs of Federal government agencies.</li> <li>-- Advance development of spectrally efficient technologies.</li> <li>-- Improve the management of Federal and nonfederal spectrum.</li> </ul>
NTIA continues to totally automate the frequency assignment process to increase speed and efficiency.	<ul style="list-style-type: none"> <li>-- Completion of automated system expected in 2002.</li> </ul>

## Performance Goal 2: Radio Spectrum Assignments

### Resource Requirements

**Total Bureau Dollars: \$3.5 million**

FY 99 Actual	FY 00 Enacted	FY 01 Request
\$3.5 M*	\$3.5 M	\$3.5 M

\* Dollars shown are for the spectrum assignment process (80% other agency funded)

**Total FTEs: 23**

**Skills Summary: Scientists, Engineers, Lawyers, Economists, Policy Analysts, Support Staff**

FY 99 Actual	FY 00 Enacted	FY 01 Request
23	25	23

**Total Bureau IT Dollars: Not available**

FY 99 Actual	FY 00 Enacted	FY 01 Request
N/A	N/A	N/A

### Cross-Cutting Activities

#### **Intra-DOC**

IRAC assists the Assistant Secretary on all spectrum matters. The IRAC is made up of all spectrum-using Federal agencies.

#### **Other Government Agencies**

NTIA works with 23 Federal agencies who are represented on the IRAC.

### External Factors and Mitigation Strategies

The total number of frequency assignments processed each year is dependent on total requests made by Federal agencies.

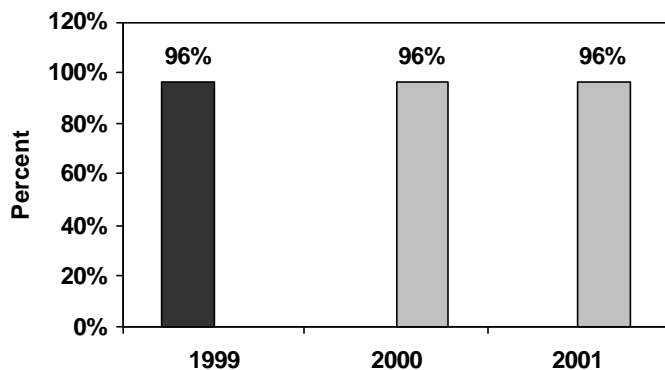


## Performance Goal 3: Advance the Public Interest in Telecommunications, Mass Media, and Information

### **Rationale for Performance Goal**

Affordable access to telecommunication technology is becoming a basic necessity for a successful and productive life in all sectors of our society, including business, academia, industry, banking, and government.

#### **Measure 3.a: Maintain or increase telephone subscription rates**



#### **Data Validation and Verification:**

**Data collection** Data is available via Census Bureau

**Frequency** Annual

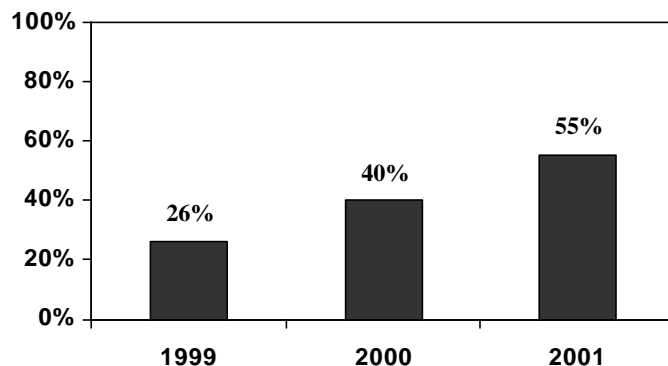
**Data storage** The Census Bureau maintains and tabulates the data.

**Verification** The Census Bureau uses established statistical techniques

**Data limitations** N/A

**Actions to be taken** N/A

#### **Measure 3.b: Increase Internet accessibility and use**



#### **Data Validation and Verification:**

**Data collection** NTIA is making special arrangements with Census Bureau

**Frequency** Annual estimates

**Data storage** Bureau of the Census

**Verification** Standard survey statistical techniques

**Data limitations** N/A

**Actions to be taken** N/A

## Program Evaluation Efforts

Our report, *Falling Through the Net, the Digital Divide*, received widespread attention and praise for its methodology and analysis. The report has spurred attention to the digital divide as an issue for policymakers to address. Proposals to address the issue will be evaluated throughout the funding process.

**Performance Goal 3:**

Advance the Public Interest in Telecommunications, Mass Media, and Information

**Strategies and Activities**

<b>Strategies</b>	<b>Activities</b>
Promote universal service and access to telecommunication.	<ul style="list-style-type: none"> <li>-- Assist in maintenance and extension of the service of public broadcasting and telecommunication facilities, including digital broadcasting.</li> <li>-- Create substantive technical, economic, and legislative policy analysis.</li> </ul>
Promote infrastructure development and encourage rollout of alternative services including wireless and broadband telecommunications services.	<ul style="list-style-type: none"> <li>-- Coordinate with the White House and other Executive Branch agencies.</li> <li>-- Facilitate private sector discussions by obtaining expert and public views, including Federal Register notices for requests for comments, public conferences, seminars, and focus groups.</li> <li>-- Encourage private sector initiative to give citizens the ability to protect their children from indecent material.</li> <li>-- Establish principles for the protection of personal privacy.</li> </ul>
Work to maintain the U.S. telecommunications and information infrastructure in time of crisis.	NTIA has been assigned the lead agency role for the telecommunication and information sector, subject to available resources.

**Resource Requirements**

**Total Dollars: \$2.0 million**

<b>FY 99 Actual</b>	<b>FY 00 Enacted</b>	<b>FY 01 Request</b>
N/A	\$2.0 M	\$2.0 M

**Total FTEs: 12**

**Skills Summary: Scientists, Engineers, Lawyers, Economists, Policy Analysts, Support Staff**

<b>FY 99 Actual</b>	<b>FY 00 Enacted</b>	<b>FY 01 Request</b>
N/A	12	12

**Total IT Dollars: Not available**

<b>FY 99 Actual</b>	<b>FY 00 Enacted</b>	<b>FY 01 Request</b>
N/A	N/A	N/A

### Performance Goal 3:

## Advance the Public Interest in Telecommunications, Mass Media, and Information

### Cross-Cutting Activities

#### ***Intra-DOC***

NTIA works with the Census Bureau to produce the series of *Falling Through the Net* reports.

#### ***Other Government Agencies***

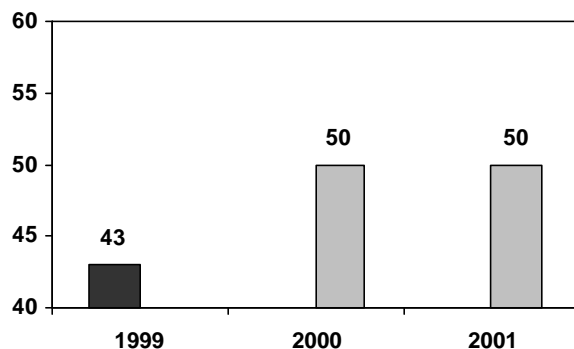
NTIA coordinates its telecommunication, broadcasting, and digital divide activities with the White House, including the Office of the Vice President, and participates in Working Groups with other Federal agencies.

### External Factors and Mitigation Strategies

There are many exogenous variables affecting telephone penetration rates, including income and affordability. NTIA's efforts focus on regulatory regimes and their success in promoting competition in markets and among technologies and the extent to which barriers to competition can be removed. However, NTIA does not control the regulatory regimes; it can only attempt to persuade through its analysis and views.

**Performance Goal 4:****Promote the Availability and Sources of Advanced Telecommunications and Information Services****Rationale for Performance Goal**

In FY 2001, the Secretary has approved a major new effort for NTIA: a substantive grant program designed to demonstrate the benefits and applications of the Next Generation Internet. This is part of the Secretary's focus on the digital economy.

**Measure 4.a:****Number of models/grants available for non-profit or public sector organizations****Data Validation and Verification:**

**Data collection** Formal evaluation contracts

**Frequency** Annual report

**Data storage** Reports printed and circulated posted on Web site.

**Verification** NTIA staff and grantees review data

**Data limitations** N/A

**Program Evaluation Efforts**

12 case studies of TIIAP grantees were conducted in 1999. Results are posted on the website, <http://www.ntia.doc.gov>

**Strategies and Activities**

Strategies	Activities
Stimulate technological innovation.	<ul style="list-style-type: none"> <li>-- Issue grants in a highly competitive, merit-based process.</li> <li>-- Demonstrate advanced, innovative application of telecommunication and information technology in the non-profit and public sector.</li> <li>-- Promote the growth of electronic commerce and Internet use domestically and internationally.</li> <li>-- Initiate cooperative research and development with U.S. industry and other Federal agencies.</li> </ul>
Promote international acceptance of U.S. technological proposals.	<ul style="list-style-type: none"> <li>-- Participate in International Telecommunication Union and domestic standards.</li> <li>-- Participate in conferences urging minimal regulation and early adoption of electronic commerce and the Internet.</li> </ul>

Performance Goal 4:  
Promote the Availability and Sources of Advanced Telecommunications and Information Services

Resource Requirements

**Total Dollars: \$15 million**

FY 99 Actual	FY 00 Enacted	FY 01 Request
18.0 M	15.5 M	\$15 M

**Total FTEs: 19**

FY 99 Actual	FY 00 Enacted	FY 01 Request
20	19	19

**Total IT Dollars: Not available**

FY 99 Actual	FY 00 Enacted	FY 01 Request
N/A	N/A	N/A

External Factors and Mitigation Strategies

NTIA focuses on the quality of the applications and the types of activities for which funding is sought rather than on the total number of grants awarded.

